Plaintiffs' Memorandum in Opposition to Joint Motion for Summary Judgment for Failure to Prove Fault Element of Public Nuisance Claims

Ex 25 – ABDCMDL00278212

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Sales Talking Points Low-Volume Accounts July 2013

If you are like most pharmacies, I know you probably spend most of your time micromanaging your cost of goods in the face of declining reimbursements.

Today, 44% of independent pharmacies earn less than a 2% net profit. That's nearly half of all independent pharmacies!

13%, on the other hand, of independent pharmacies operate at four times that number—an 8% or higher margin.

Independent pharmacies come to AmerisourceBergen because they know that by taking full advantage of our product offerings, resources and expertise, they will be able to attract more patients, retain existing patients and improve their operating efficiencies.

By doing all this, they'll be able to get on the road to higher profitability, and break out of the 2% net profit trap.

As much as I want you to take full advantage of AmerisourceBergen's value, I am rather concerned about your pharmacy for a different reason. Based on your overall volume with us, your percentage of C2 orders is high and may be deemed suspicious by either our OMP system or regulatory authorities. This puts your account with ABDC at significant risk of closure or exposure to regulatory and enforcement agencies actions.

Every day, we read about another independent pharmacy under investigation. I want to make sure that doesn't happen to you. The way I see it, is that you have a couple of options. First, you can make ABDC your primary wholesaler and shift all purchases to us. The second option is we arrange a short-term transition process and you stop buying C2s from ABDC and shift them to whomever your buying other products. The third option would be to do nothing--but this is not a feasible long-term decision--and it's not a good option for anyone.

As I mentioned earlier, independent pharmacies choose ABC because we help them improve their overall profitability. Cost of goods is only a piece of the profit puzzle.

In the short term, we need to fix your purchasing habits from ABDC. Then let's schedule another meeting to review how we can help become one of those pharmacies in the top 13%!